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Maine's Health Sector and Workforce, Trends-Projections-Challenges - June 17, 2013

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Maine's Health Sector and Workforce

Trends-Projections-Challenges

June 13, 2013

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MAINE
DEPARTMENT OF
LABOR
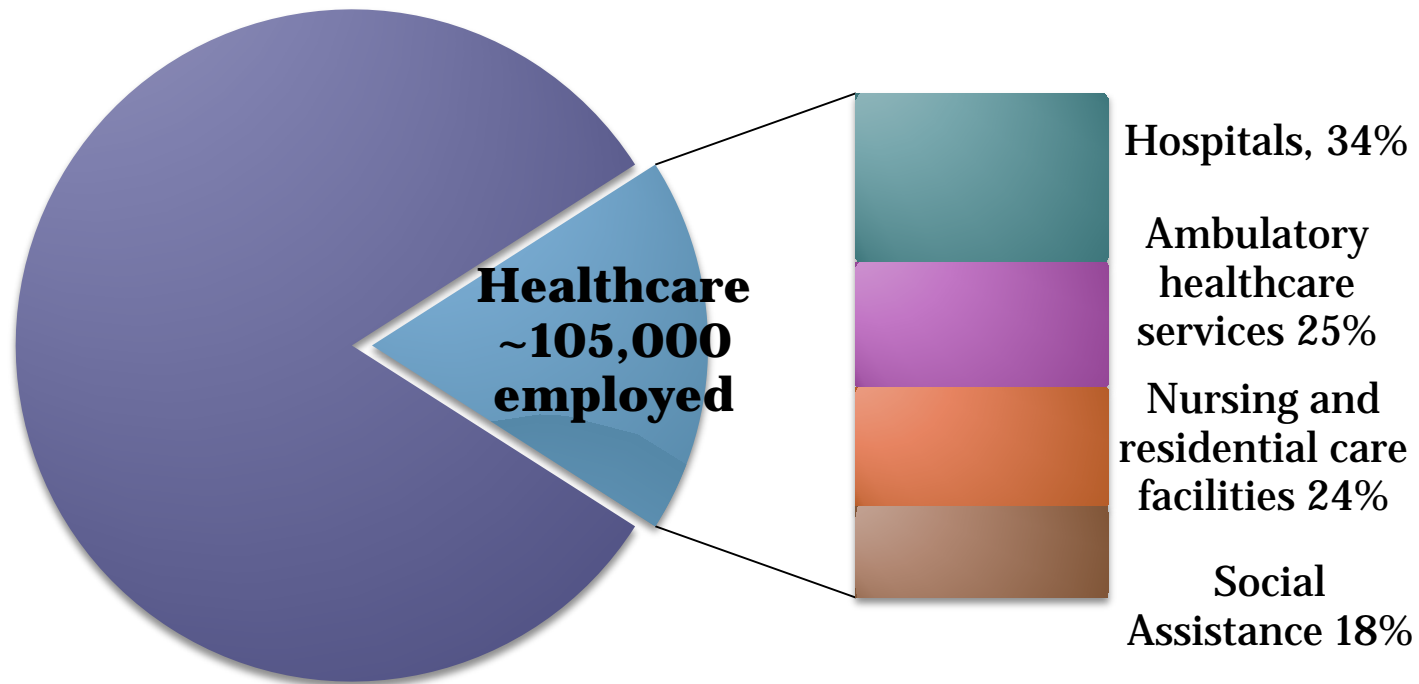*Center for Workforce*
Research and Information

Objectives

- Sector overview & trends
- Factors affecting workforce supply and demand
- Workforce development challenges

Healthcare & Social Assistance is Maine's largest economic sector, in terms of number of jobs and wages paid.
(Maine employment mix by sector, 2011)

Healthcare, 18%

Maine Health Sector Employment

Healthcare ~105,000 employed

Hospitals, 34%

Ambulatory healthcare services 25%

Nursing and residential care facilities 24%

Social Assistance 18%
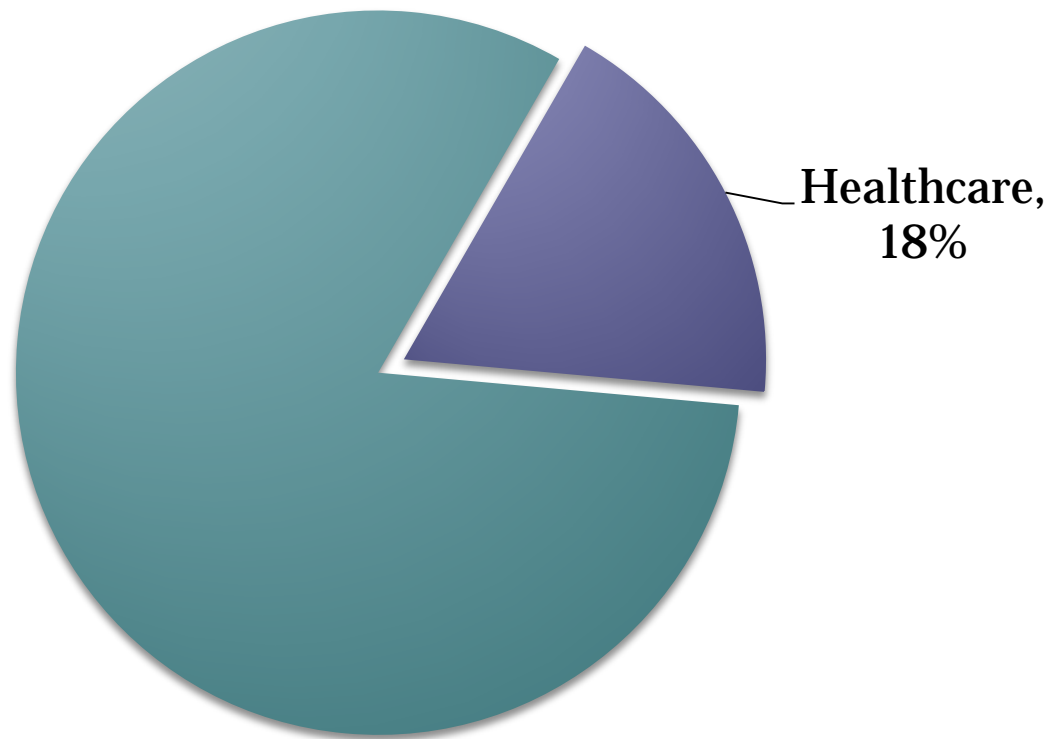
- **62,000 health occupational workers**
  - ▫ **85% employed in health sector**
  - ▫ **Healthcare practitioners**
  - ▫ **Healthcare support workers**

Maine's health sector has been a consistent and significant producer of jobs.
(Healthcare & Social Assistance Employment, 1990-2011)
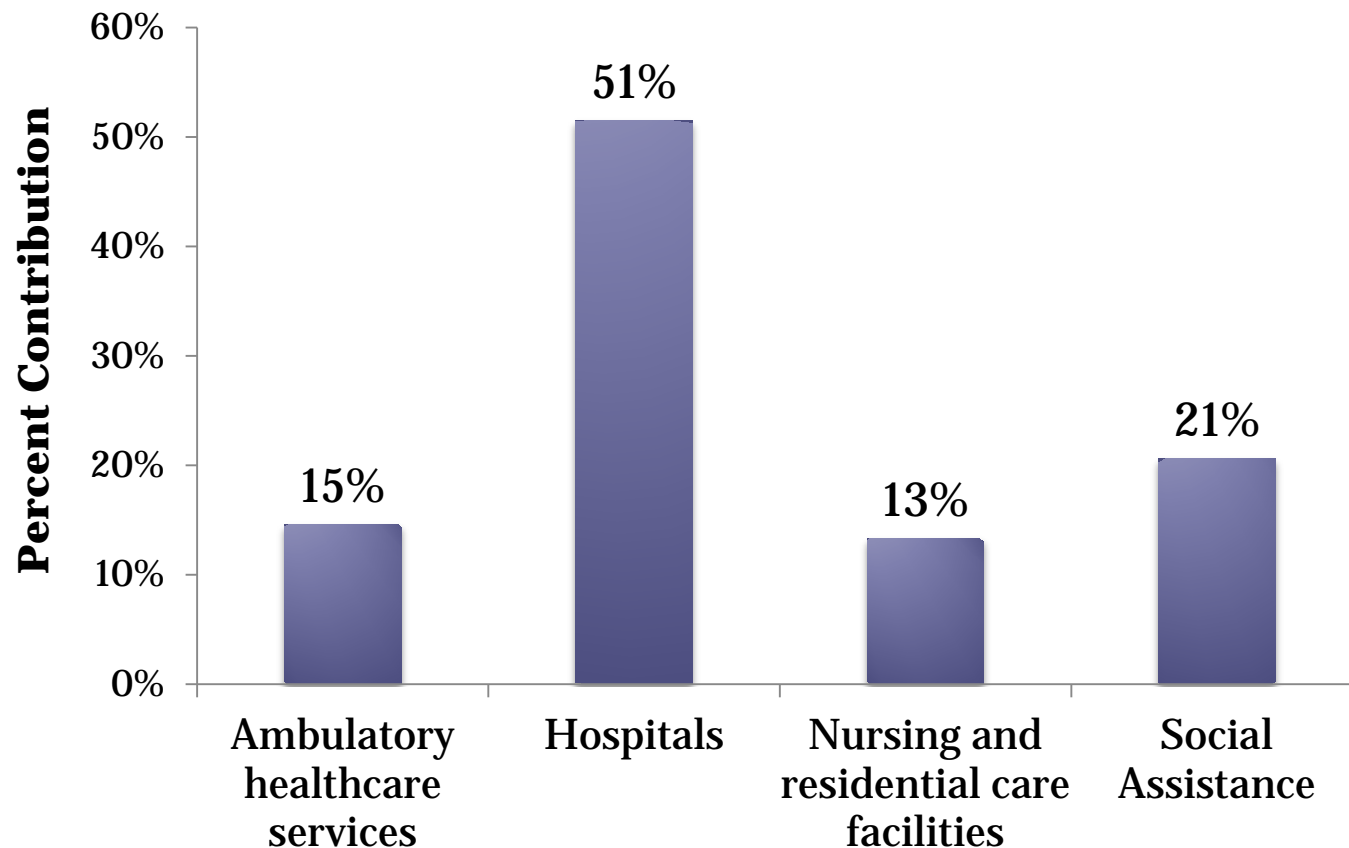

← 80% growth in jobs →
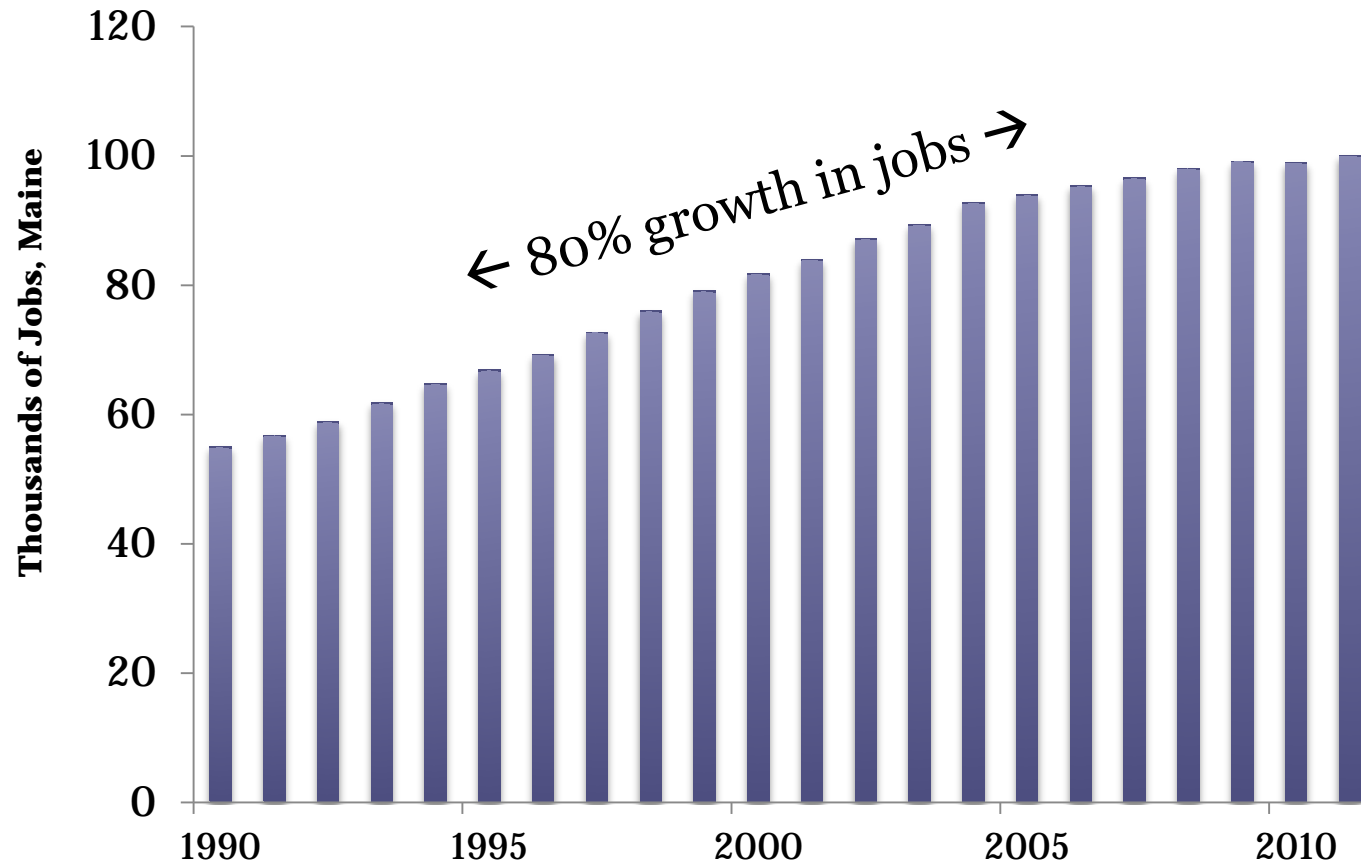
From 2001-2011, Maine's health sector generated more jobs than all other job producing sectors, combined.
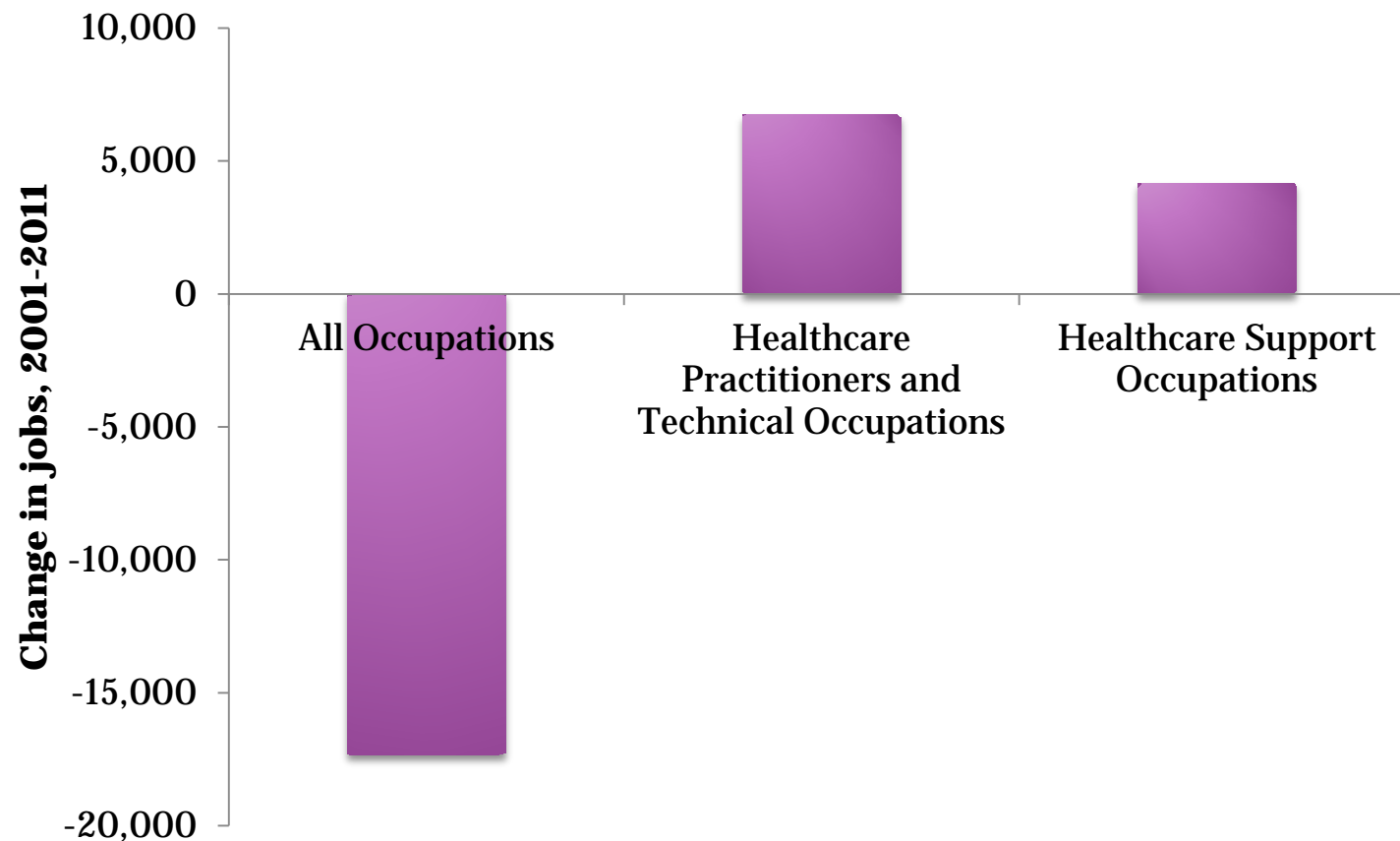### *(Change in employment by sector, 2001-2011)*
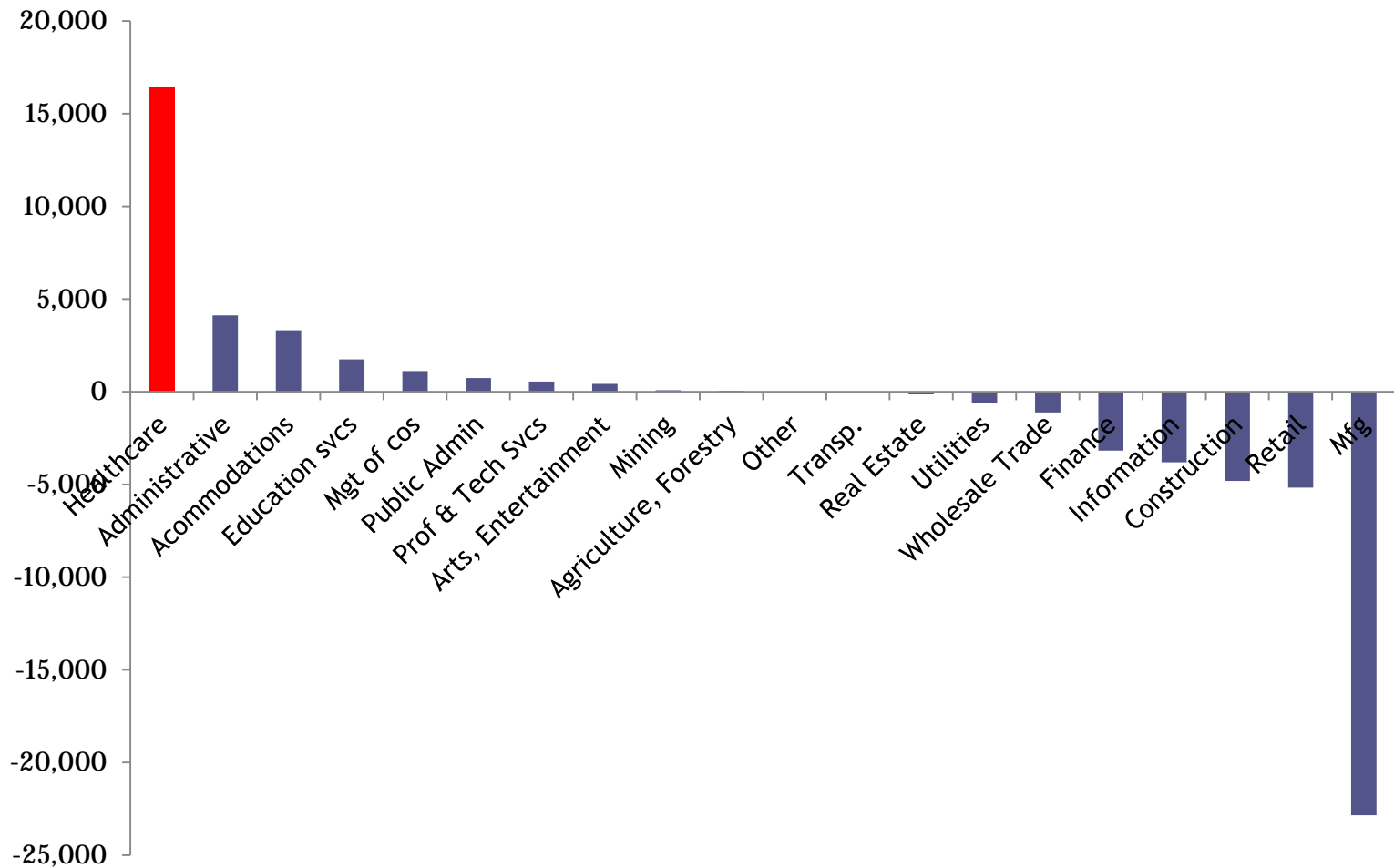
Hospitals have been the predominant driver of sector employment growth over the last ten years.
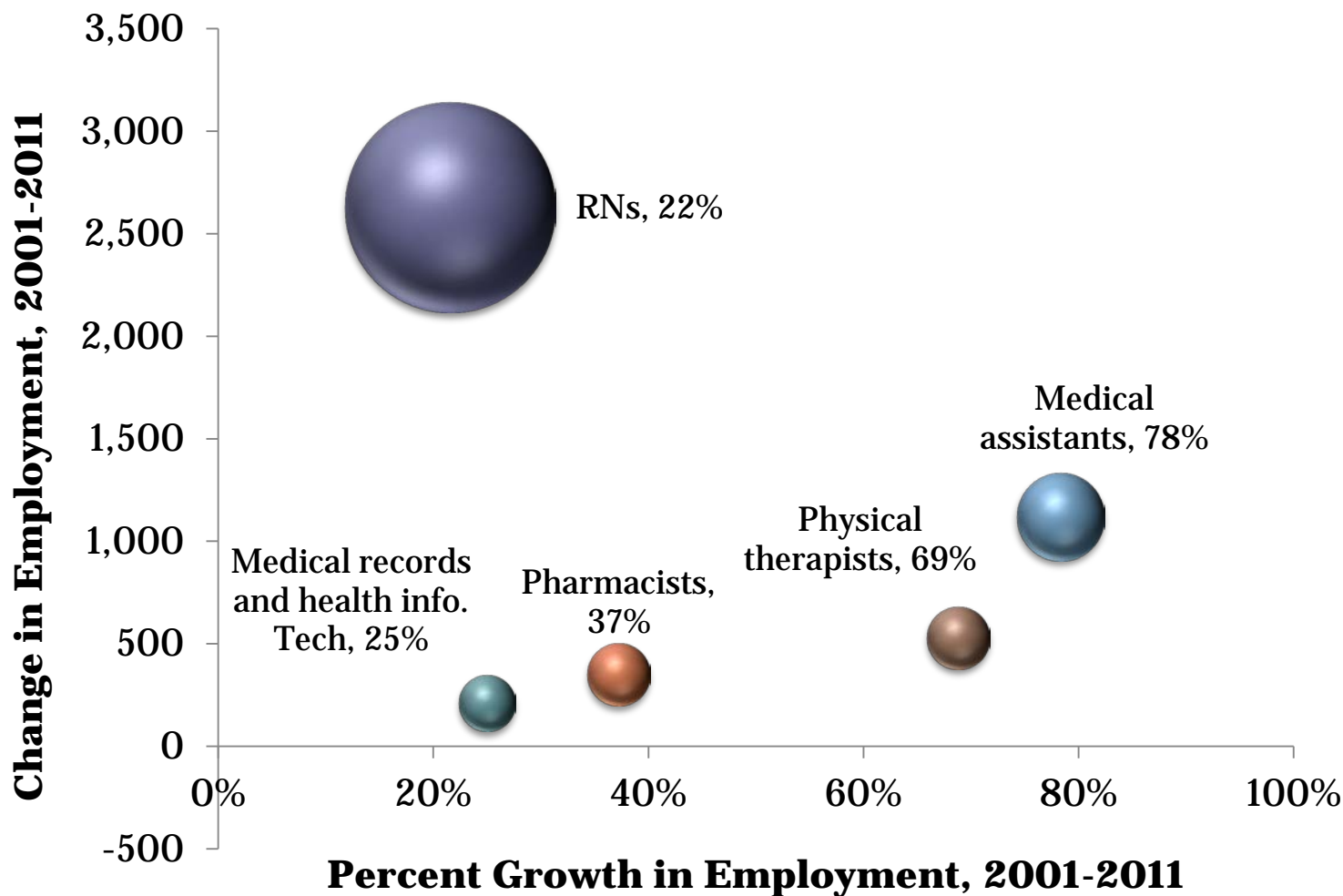*(Contribution to health sector employment growth, 2001-2011)*

Employment in health occupations expanded during a period when overall statewide employment contracted.
(Change in employment, 2001-2011)

Growth in healthcare occupations was broad based, and strong.
(Change in employment, 2001-2011)

Bubble chart. Y-axis: **Change in Employment, 2001-2011** ranging from -500 to 3,500. X-axis: **Percent Growth in Employment, 2001-2011** ranging from 0% to 100%.

- RNs, 22%
- Medical assistants, 78%
- Physical therapists, 69%
- Medical records and health info. Tech, 25%
- Pharmacists, 37%

Bubble size represents 2011 employment

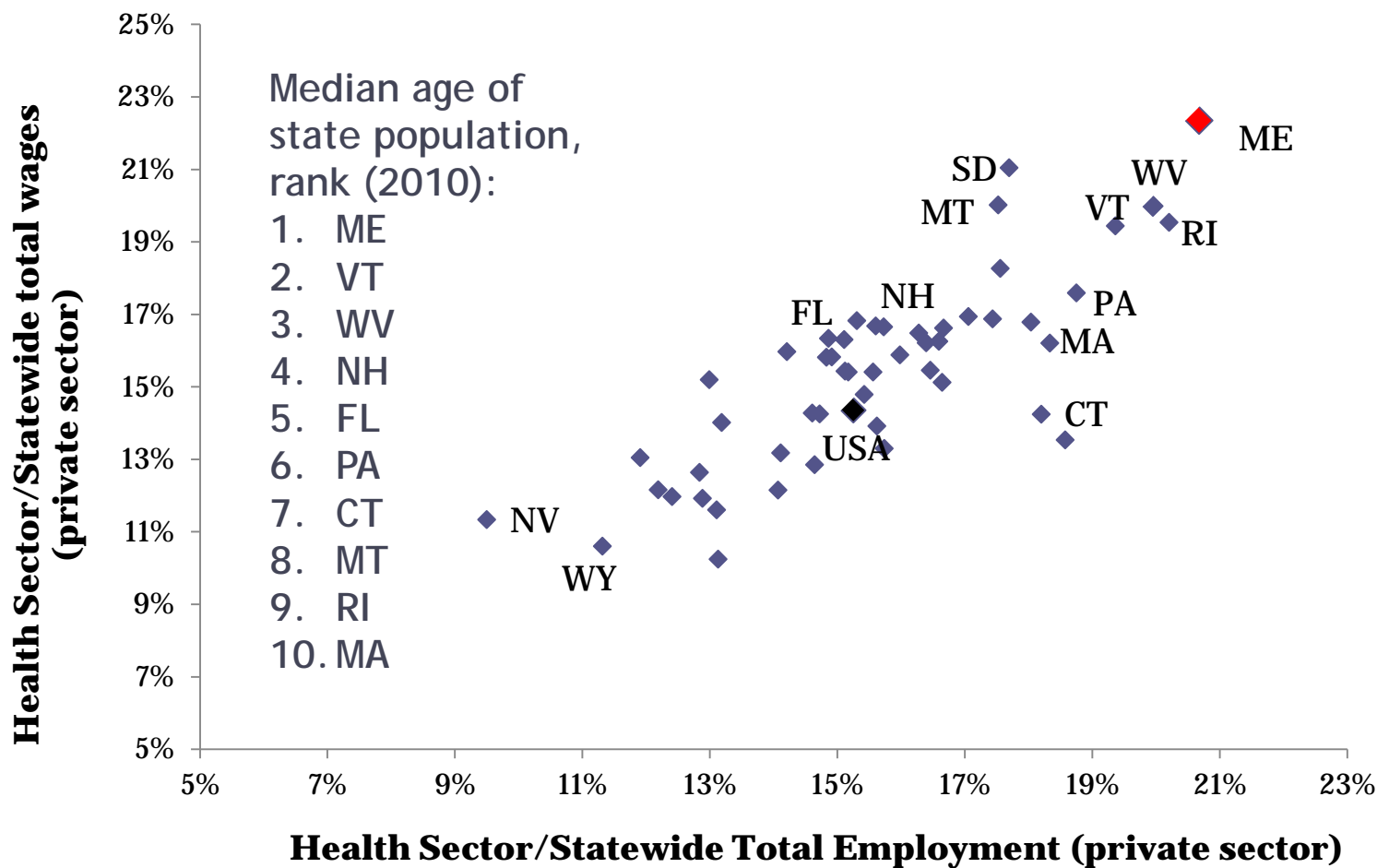# Strong employment growth has helped sustain Maine's relatively high numbers of healthcare workers per population compared to the nation.
(Healthcare practitioners and support workers per 1,000 population)
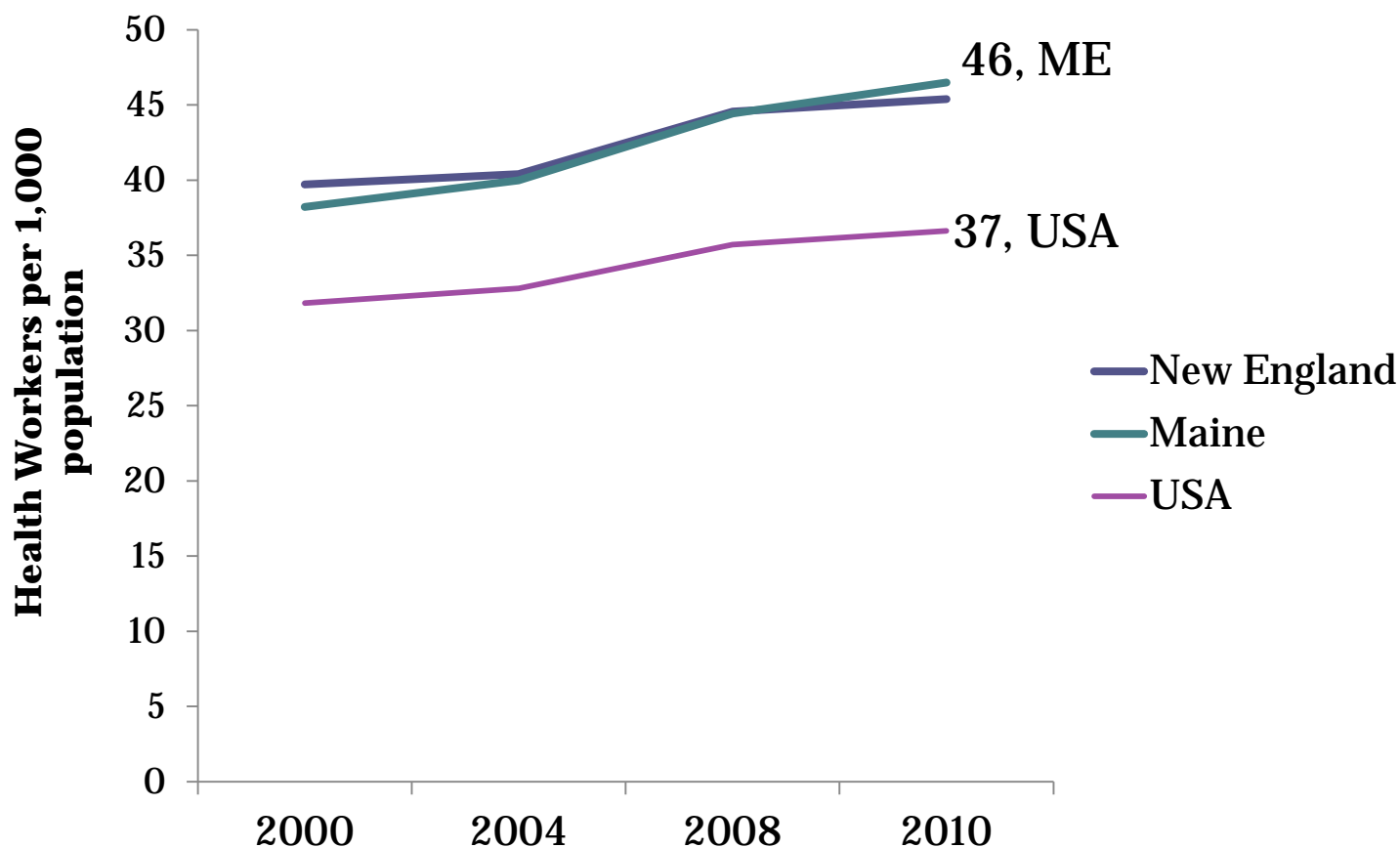
As a proportion of private sector employment and wages, Maine's health sector is the largest in the nation.
(Health sector employment as a percent of statewide employment, 2010)

Median age of
state population,
rank (2010):
1. ME
2. VT
3. WV
4. NH
5. FL
6. PA
7. CT
8. MT
9. RI
10. MA

Y-axis: Health Sector/Statewide total wages (private sector)

X-axis: Health Sector/Statewide Total Employment (private sector)

Going forward, healthcare is expected to remain as a key driver of statewide employment growth.
(Employment projections, 2010-2020)

- Health sector employment growth ~16% (est.)
  - Growth rate and number of new jobs projected to be among the highest of all sectors.
  - Hospital employment expected to increase 30%.
- Health occupational employment growth ~17% (est.)
  - ~11,000 new jobs
  - Nearly half of the 40 occupations with the fastest projected rate of job growth in Maine are health occupations.

However, industry and occupational growth rates are slowing compared to prior years.

2000-2010	2010-2020 est.
27% Increase	17% Increase
+13,000 New Jobs	+11,000 New Jobs

Factors Influencing Workforce Supply and Demand

THE WALL STREET JOURNAL.

Americans Cut Back on Visits to Doctor, July 29, 2010

The New York Times

Americans Cutting Back on Drugs and Doctor Visits,
April 4, 2012

SHRM
SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

Leading People.
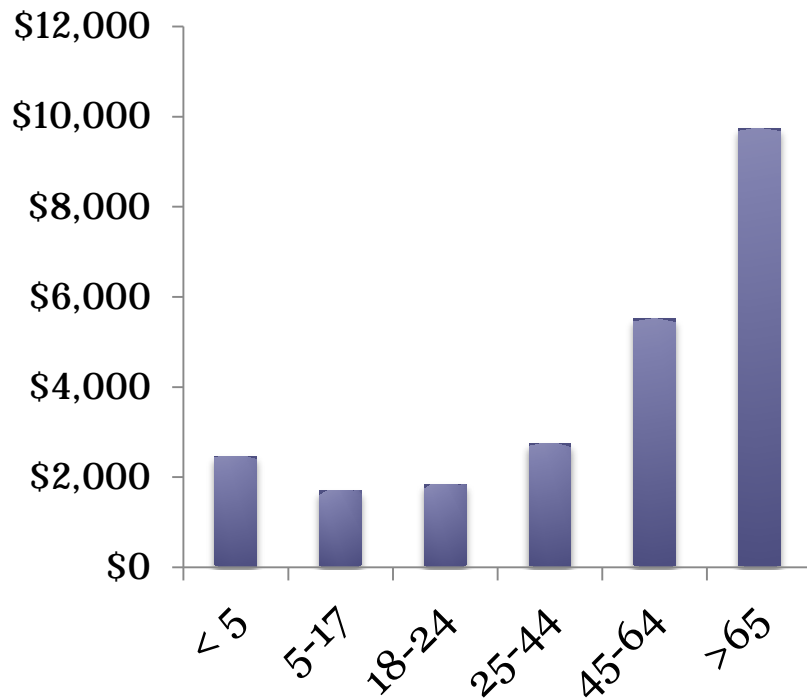Leading Organizations.

'Huge Increase' in U.S. Workers
Delaying Retirement, February 2013

Nursing News
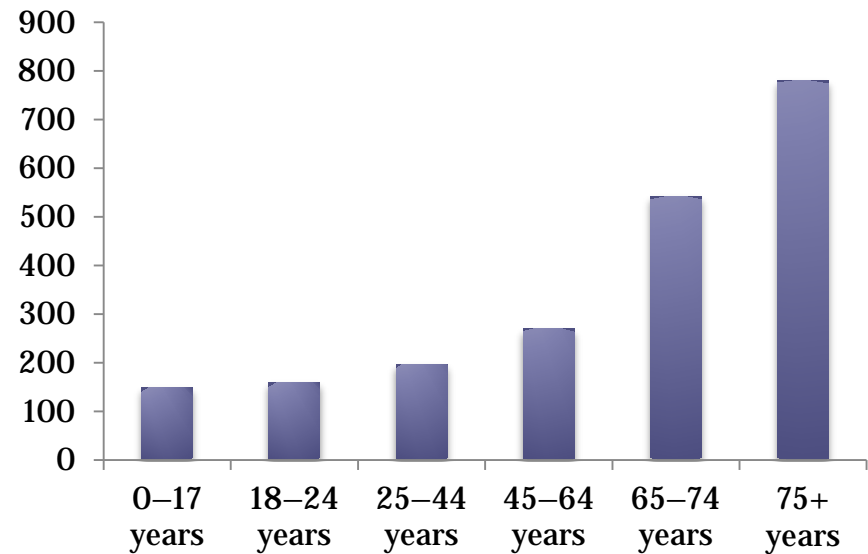*Nurses Continue to Delay Retirement, June 10, 2011*

An aging population will cause the demand for health workers to increase, all else constant.

Average Health Spending Per Person, by Age Group, 2009
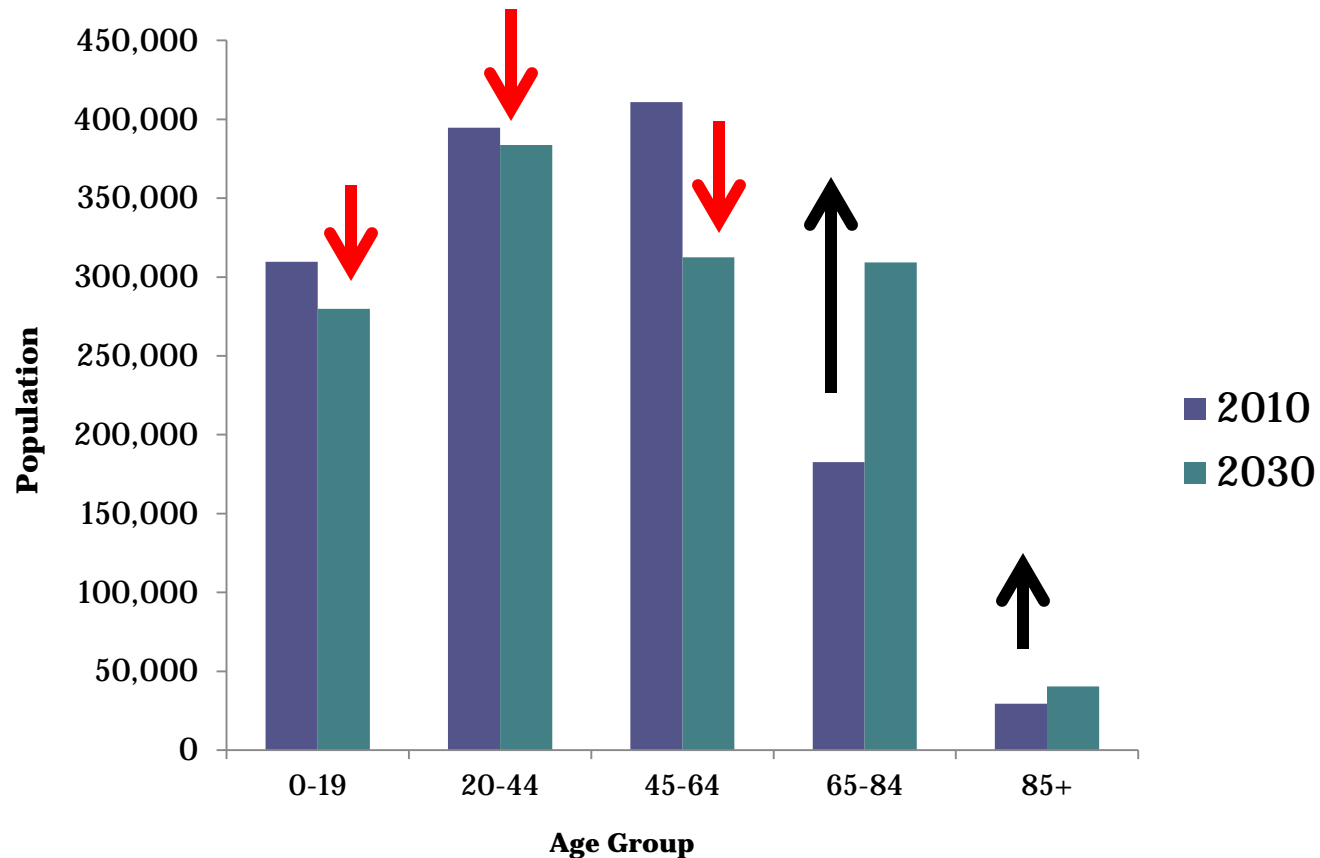

Age, in years
Source: KFF

Estimated Requirements for Patient Care, Physicians per 100,000 Population, by Patient Age


US DHHS

Segments of the population that consume the greatest amount of healthcare (per person) are expected to grow rapidly, while other age cohorts are expected to decline.
(*Maine Age Group Projections, 2010-2030*)

The percent of the population above 65 years is expected to grow more rapidly in Maine than the nation.
### *(Percent of Population Above 65 Years, 2010 and Projected 2030)*
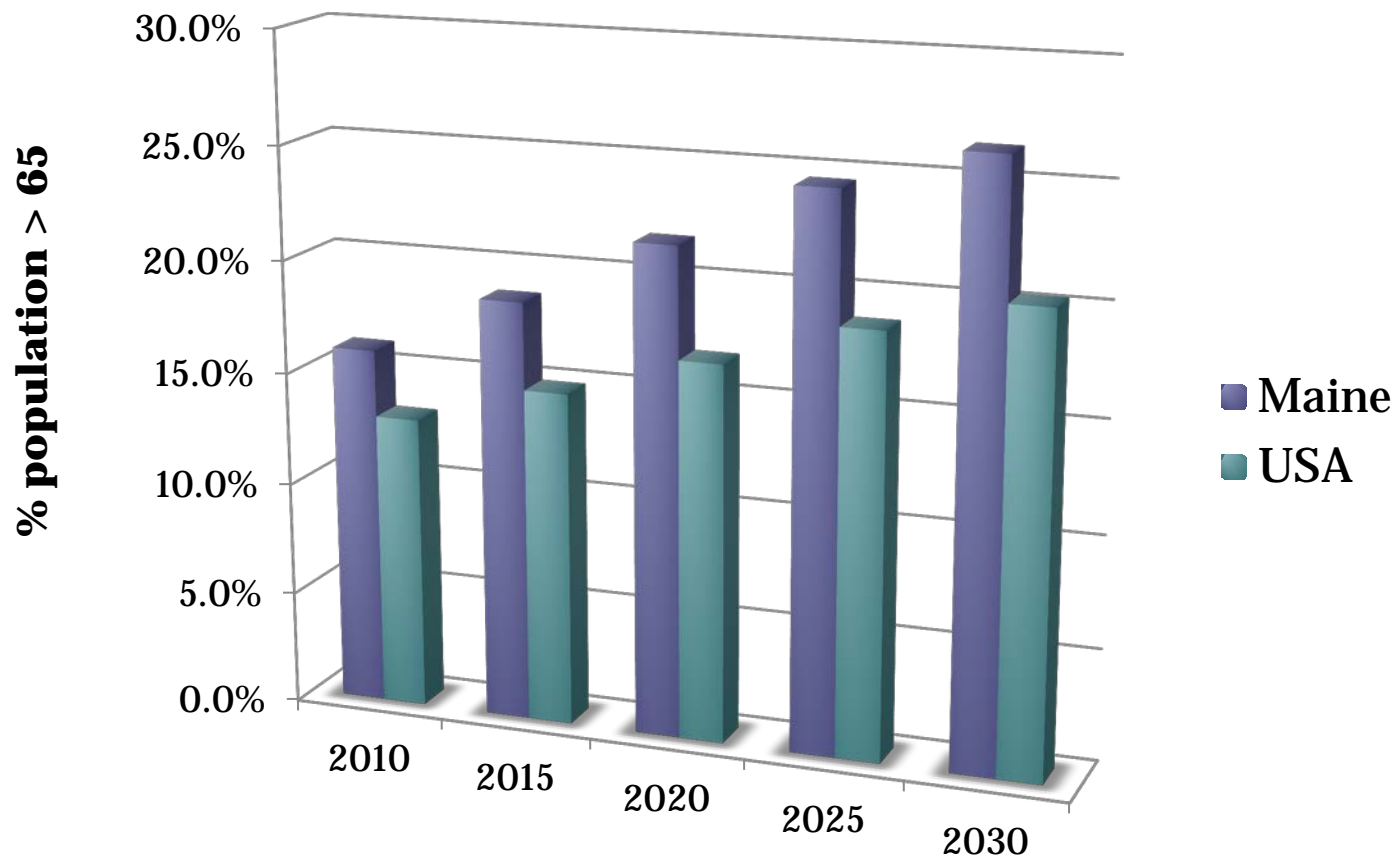
Population growth—another fundamental driver of demand for health services—is projected to be much lower in Maine than for the nation.

## *(2010-2030 Population growth projections)*
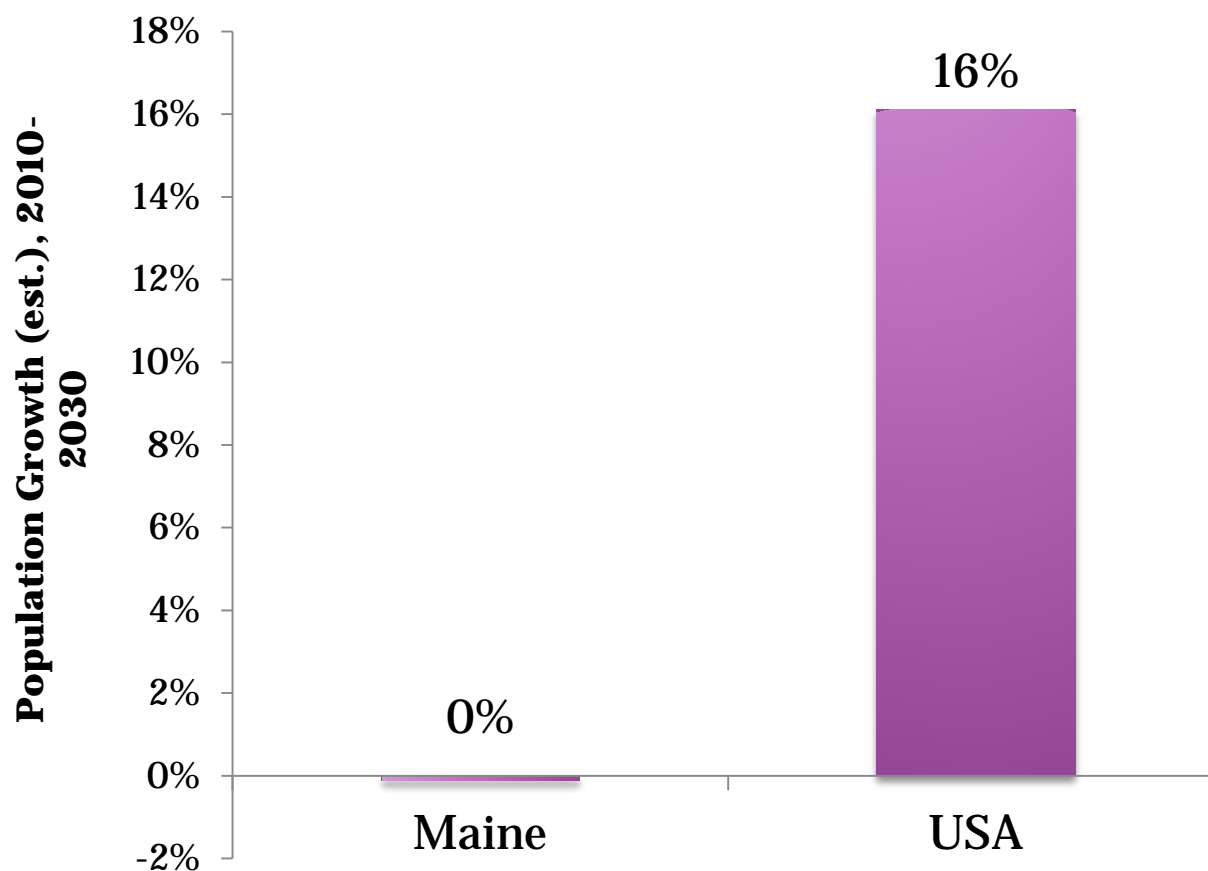
Source: US Census, Governor's Office of Policy and Management, CWRI

In addition to population demographics and growth, a range of other factors will contribute to new job opportunities for health workers.

Health of population

Economic growth

Changes in technology, insurance, etc.
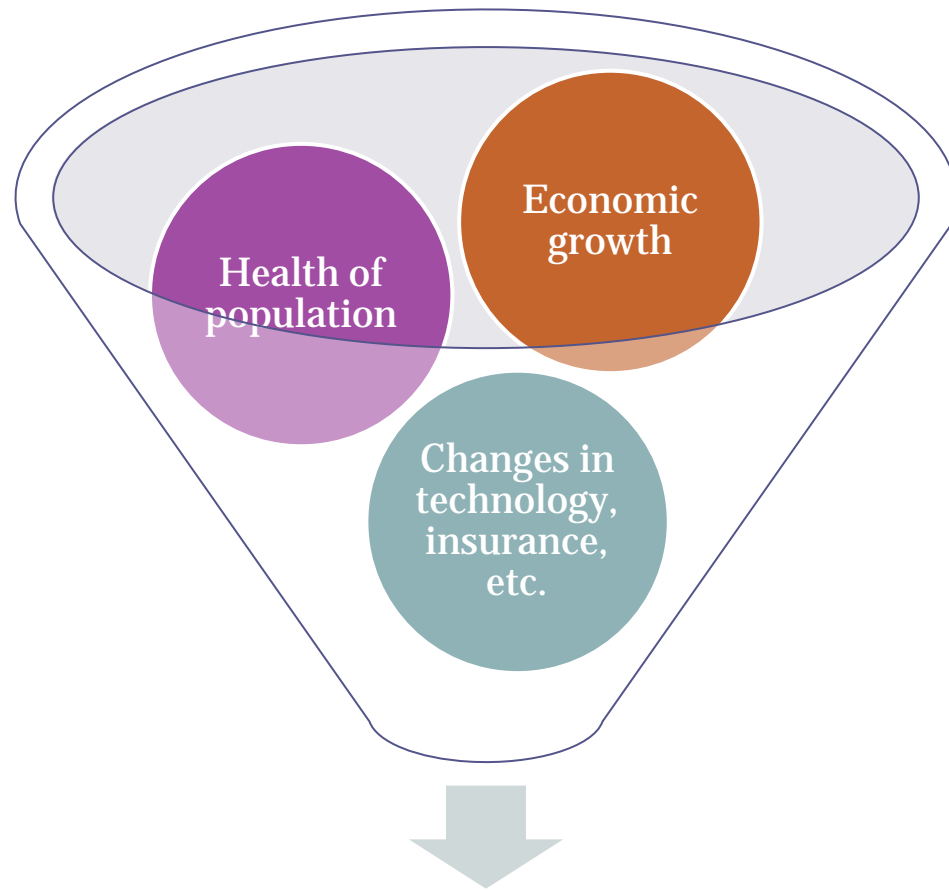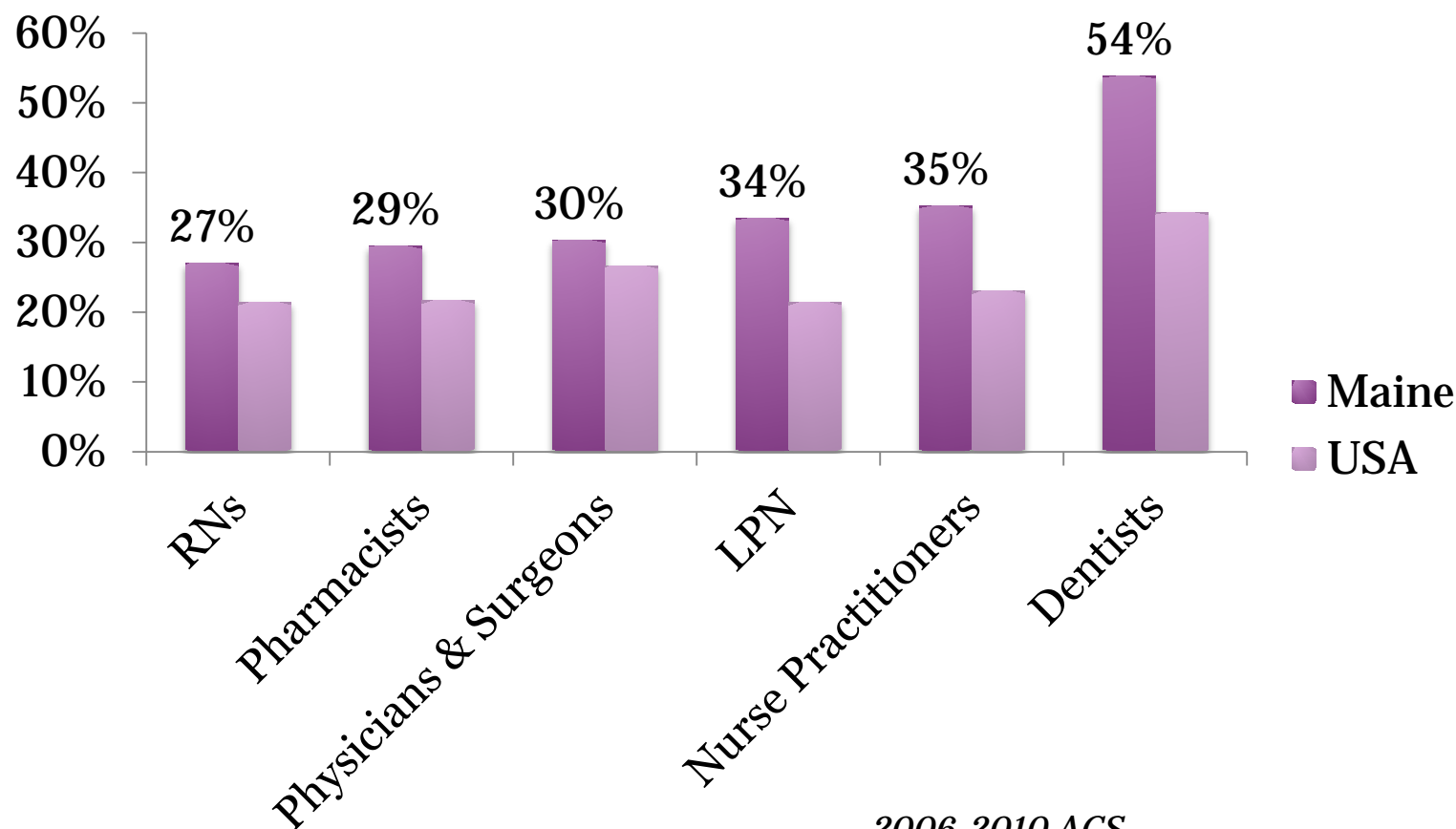
New Job Opportunities

# Job openings are a function of new growth and replacement demand
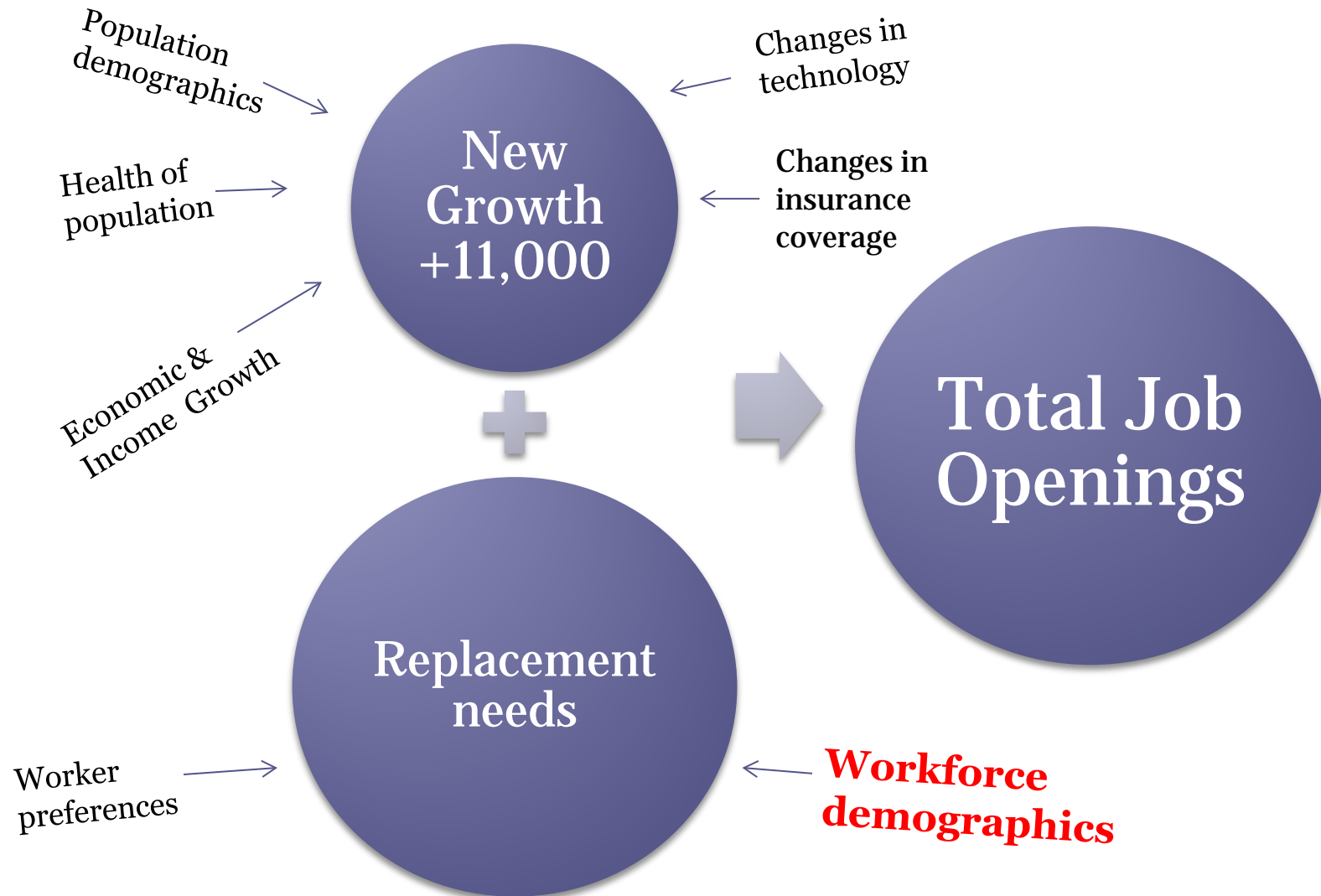
A meaningful portion of Maine's health workforce is nearing the age of retirement, creating a sizable need for replacement workers in coming years.
(Percent of workforce over the age 55)

2006-2010 ACS

Over half of the job openings in health occupations over the next decade will result from the need to replace workers that are retiring or permanently leaving the occupation.
(*Projected Healthcare Job Openings, 2010-2020)*

New Growth: +11,000

Replacement Needs: +11,500

Total Projected Job Openings ~22,500
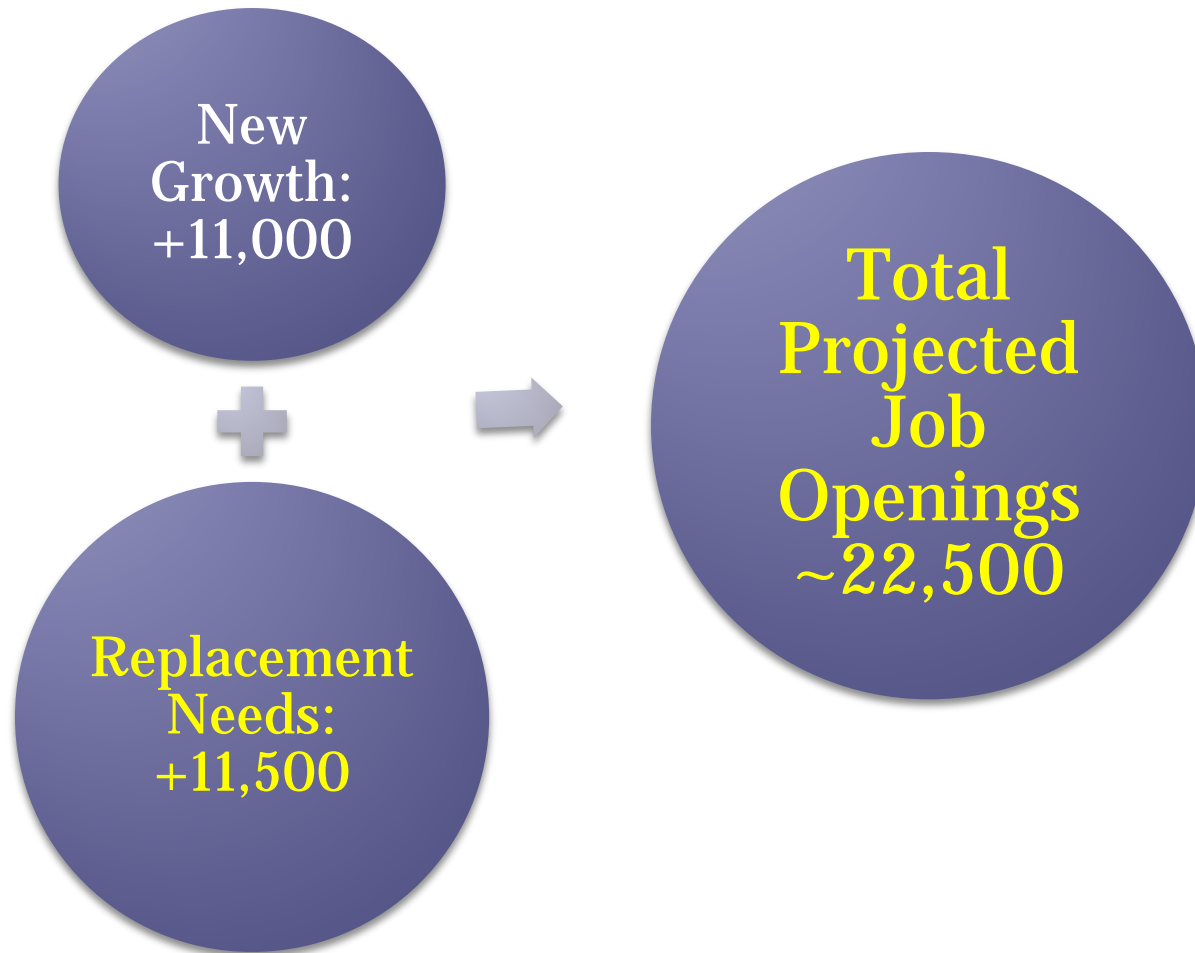
Health Workforce Development Challenges

"Due to the data currently available, it is difficult to offer both a complete forecast of the nation's health care workforce supply and assess its adequacy for meeting the demand for services in coming years."

The Complexities of National Healthcare Workforce Planning, Bipartisan Policy Center

Deloitte Center for Health Solutions

Data Issues:

Data suppression/workforce distribution
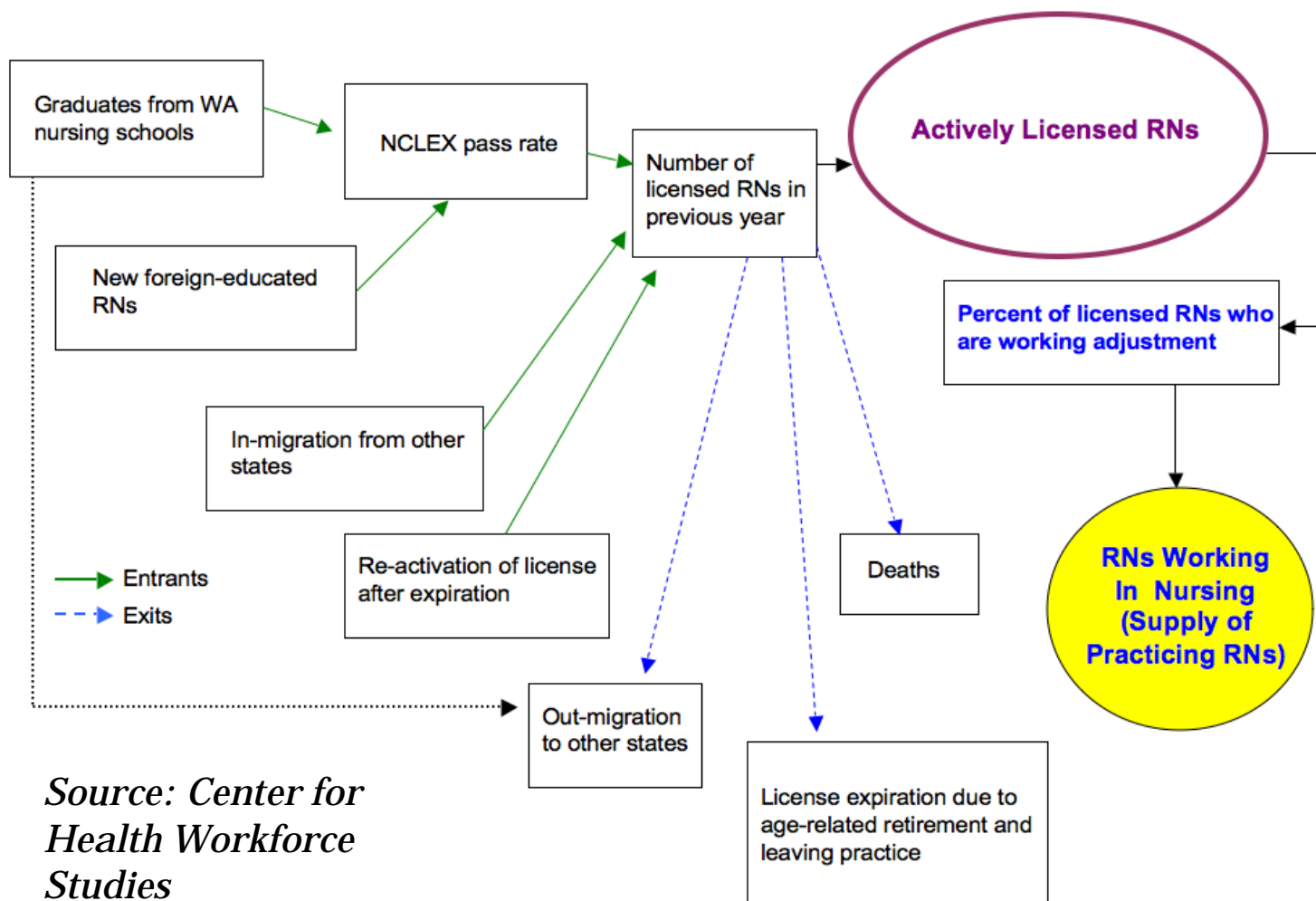
Quantifying skills gaps

Licensure/survey information

Silos of data

Forecasting challenges

The complexities of forecasting workforce supply and demand

Conceptual Model of Factors Affecting State RN Supply in One Year

Source: Center for Health Workforce Studies

Questions?

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